

# Drug Intelligence Brief



DRUG ENFORCEMENT ADMINISTRATION  
INTELLIGENCE DIVISION

October 2002

## ***THE EVOLUTION OF THE DRUG THREAT: THE 1980s THROUGH 2002***

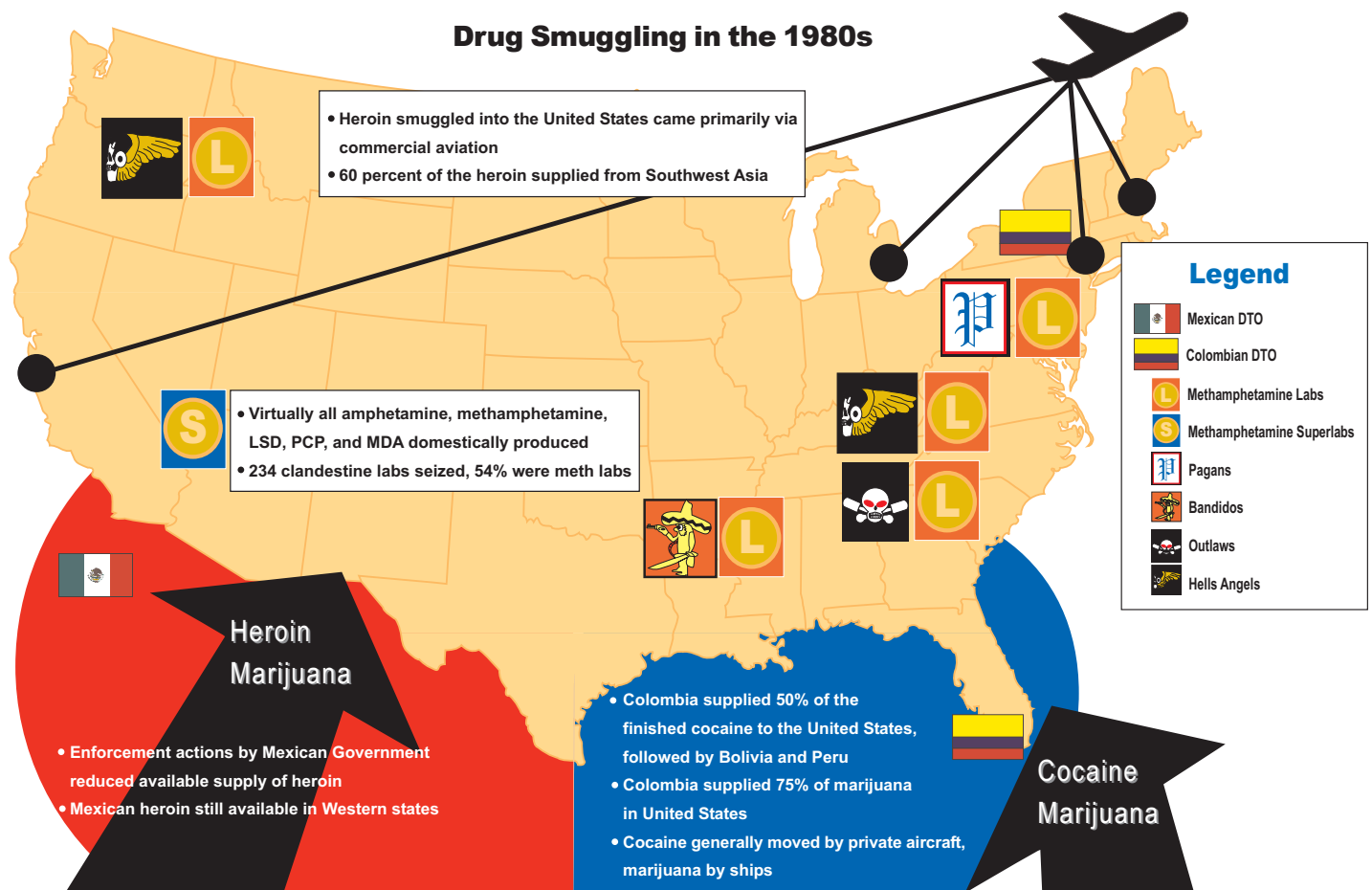


The illicit drug trade in the United States is affected by numerous factors, including consumer demand, sources of supply, the organizational strengths and adaptability of criminal groups, and the ability of law enforcement and interdiction assets to disrupt or dismantle drug distribution systems. Identifying the most significant drug threats to the United States requires the fusion of current intelligence with a historical perspective to fully assess the dynamics of the illicit drug trade.

This report identifies the most significant changes in the drug threat over the past twenty years, as identified in past issues of the National Narcotics Intelligence Consumers Committee Report (NNICC). The first part of the report serves as a historical foundation for a current drug threat assessment, and offers a perspective on the dynamics that will affect the drug threats facing the United States in the near

future. The second part of the report provides a summary of the most significant factors shaping the distribution of illicit drugs.

The first-level evaluation of the current drug threat assessment was derived from field division assessments, open-source reports, drug abuse indicators, and reports from the El Paso Intelligence Center (EPIC) and Joint Interagency Task Force East. The second-level evaluation involved a survey of Drug Enforcement Administration (DEA) field managers who precisely identified the most significant drug problems in the field divisions, and the factors that affected those priorities, such as levels of violence associated with the trade, abuse indicators, and the volume of drugs moved. Rather than a comprehensive study of the drug trade, this report provides a snapshot of a highly dynamic criminal environment, and the challenges facing U.S. intelligence and enforcement agencies.



Map is based upon the National Narcotics Intelligence Consumers Committee Report.

## The 1980s: A Radical Transformation of the Consumer Market

The single most important transformation of the U.S. illicit drug market in the 1980s was the rampant growth of cocaine trafficking and abuse. Fed by the perception that the drug was a benign stimulant, cocaine trafficking and abuse radically transformed the illicit drug environment. The ready supply of cocaine virtually replaced the demand for the synthetic drug, phencyclidine, or PCP. The introduction of crack cocaine, an easily obtained form of smokeable cocaine, increased demand and fueled violent gang wars between rival suppliers.

Although Bolivia and Peru were the largest coca and cocaine base producers, Colombian traffickers dominated the final production of cocaine hydrochloride. Colombian sources supplied at least 50 percent of the cocaine smuggled to the United States, with Colombian distribution organizations firmly entrenched in South Florida. The Caribbean remained the primary cocaine smuggling corridor, utilizing maritime and air smuggling routes through The Bahamas.

Southwest Asia was the primary source of heroin to the United States, supplying approximately 60 percent of the U.S. heroin market. Pakistan was the largest and most accessible heroin producer in the region. Opium poppy cultivation in Afghanistan was severely disrupted as a result of the fighting between Soviet forces and the Mujahedeen; however, because interdiction efforts in the country were primarily directed at controlling the flow of weapons to Afghan guerillas, heroin exports continued, albeit at a reduced level. Mexican heroin continued to supply the western United States, although enforcement actions by the Mexican Government severely disrupted heroin sources.

Colombia was the primary source of foreign-produced marijuana in the United States, supplying approximately 80 percent of the marijuana smuggled into the United States. Mexico and Jamaica supplied the balance of the foreign-produced marijuana, with domestic production supplying less than 10 percent of the market. Most of the marijuana from Colombia was smuggled through the Caribbean corridor, using maritime conveyances.

The production and trafficking of synthetic drugs was relatively limited in the 1980s. Domestic clandestine laboratories supplied nearly all of the available synthetic drugs in the United States, with the exception of diverted pharmaceuticals. In 1980, Drug Abuse Warning Network (DAWN) Emergency Room Data identified diazepam (Valium) as the most frequently cited cause for admission. Although the majority of clandestine laboratories in the United States produced methamphetamine, PCP was the only clandestinely produced drug that was identified as a significant problem in DAWN Emergency Room Data. Outlaw Motorcycle Gangs (OMGs), such as the Hells Angels, the Bandidos, the Outlaws, and the Pagans, dominated the production and trafficking of methamphetamine, as well as marijuana distribution. Lysergic acid diethylamide (LSD) made a comeback in the early 1980s; however, its abuse was limited primarily to California and larger urban areas in the East and Midwest.

The 1980s demonstrated the increasing power of drug trafficking organizations to disrupt civil governance of the cocaine-producing regions. The July 1980 coup in Bolivia, led by Garcia Meza and reportedly backed by the “Santa Cruz Cocaine Mafia,” severely undermined drug control efforts in the country. In 1981, the Colombian paramilitary group M-19 kidnapped Martha Nieves Ochoa, the sister of Medellín cartel head Jorge Luis Ochoa. The cartel responded by organizing a death squad that methodically killed guerillas and their families until Nieves was released. The cartel further directed its squads against journalists and political leaders in an effort to force the repeal of Colombia’s extradition treaty with the United States. In one of the more violent acts of the decade, 95 people, including 12 members of the Colombian Supreme Court, were killed when 42 members of M-19 seized the Palace of Justice in Bogota in 1985. In a common cause with the cartel, M-19 demanded the repeal of the extradition treaty.

The 1980s witnessed substantial changes in the law enforcement and security resources directed against drug trafficking. The resources of the Central Intelligence Agency were brought into the counternarcotics mission by Executive Order in 1982. In 1986, National Security Decision Directive 221 articulated the policy that, “The international drug trade threatens the security of the United States by potentially destabilizing democratic allies.” United States military assets were formally directed to provide support to the counternarcotic mission under the National Defense Authorization Act of 1989.

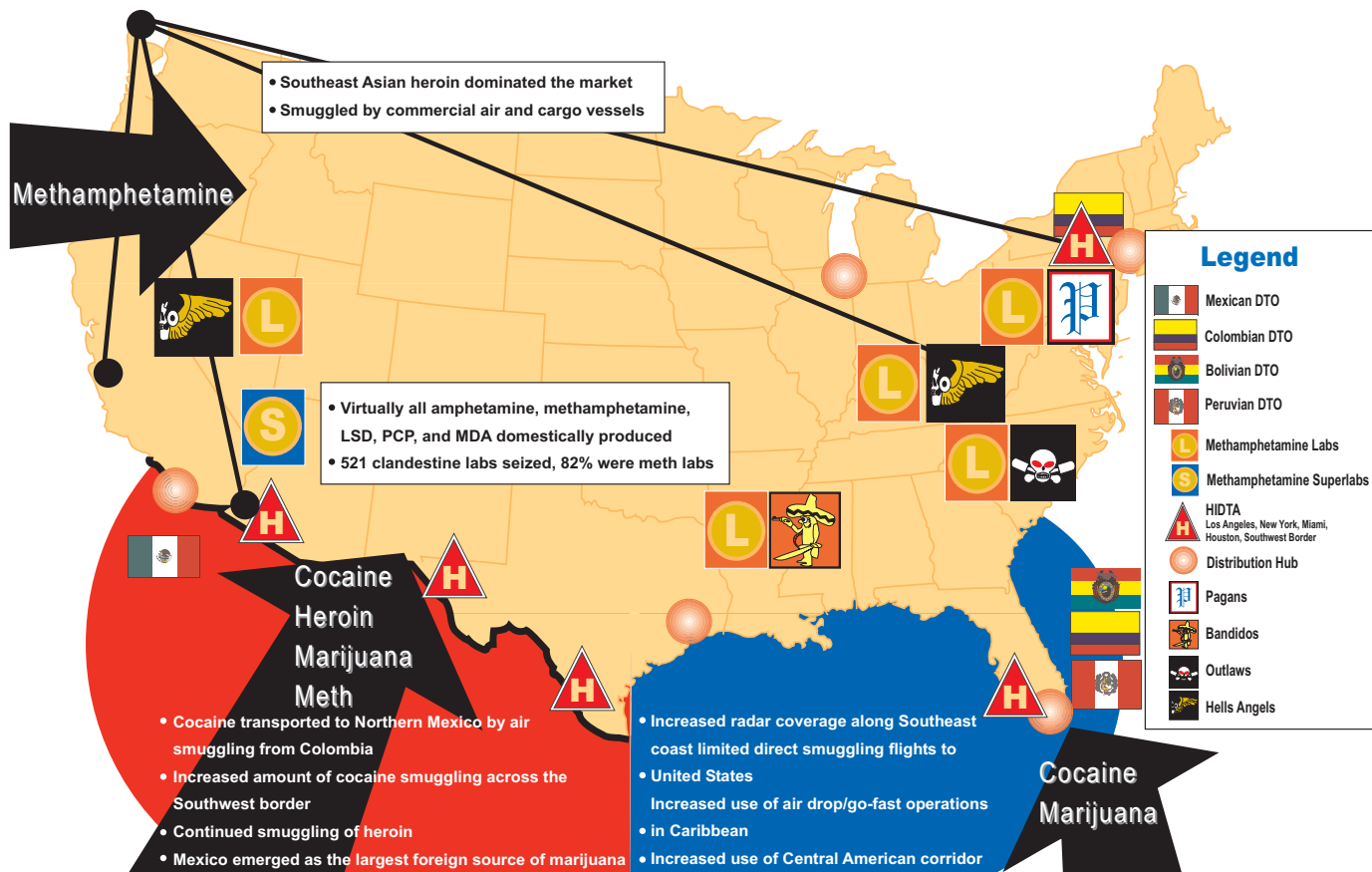
The Anti-Drug Abuse Act of 1988 authorized the Director of the Office of National Drug Control Policy (ONDCP) to designate regions of the United States as “high intensity drug trafficking areas” (HIDTAs). The diversity of the drug trafficking threat was reflected in the geographic diversity of the initial five HIDTAs: the cities of New York, Los Angeles, Miami, and Houston, as well as the Southwest border (all counties along the United States–Mexico border from San Diego to Brownsville, Texas).

## 1990s: Supply Shifts

During the 1990s, Mexico emerged as the most significant transshipment corridor for illicit drugs smuggled into the United States. Although cocaine continued to move through the Caribbean corridor, increased radar coverage from Aerostats along the Southeast coast deterred the use of aircraft flights directly to the United States. Traffickers thwarted the increased radar surveillance by combining drug airdrops with high-speed boats operating beyond the range of the new systems. The increased law enforcement and military presence in the Caribbean forced traffickers to explore more elaborate smuggling avenues, including the purchase of Soviet cargo aircraft; a surplus Soviet diesel submarine; and experimentation with semi-submersible vehicles.

Colombian traffickers increasingly relied upon Mexican and Dominican trafficking organizations to smuggle cocaine shipments to the United States. By the mid-1990s, Colombian organizations started paying Mexican transportation organizations with portions of the smuggled cocaine load, with up to half of the load provided to the transporters. This arrangement reduced the need for large financial transactions, and firmly established Mexico-based drug trafficking organizations as significant illicit drug wholesalers in the United States. The Central American corridor was increasingly used for air and overland cocaine shipments to Mexico. Aircraft were used to move cocaine from Colombia to Northern Mexico. Although smaller, twin-engine aircraft were most often used to smuggle cocaine, larger surplus jet aircraft were also used to transport multiton quantities of cocaine.

### Drug Smuggling in the 1990s



Map is based upon the National Narcotics Intelligence Consumers Committee Report.

Drug-related violence continued to undermine government control in South America. Over 150 groups loosely organized in cartels operating out of Medellín and Bogotá, dominated the cocaine trade. Colombian insurgent groups such as the Revolutionary Armed Forces of Colombia (FARC) and the Army of National Liberation (ELN) also benefited from the cocaine trade by taxing narcotics profits; protecting crops, laboratories, and storage facilities; and occasionally extracting payment in weapons. Insurgent groups also carried out kidnappings and terrorism in support of traffickers' aims.

By 1988, Southeast Asian (SEA) heroin dominated the East Coast heroin market, while Mexican heroin was supplied to users in the Western United States. New York was the primary importation and distribution center for SEA heroin, with San Francisco, Seattle, Los Angeles, and Washington also identified as points of entry. SEA heroin continued to dominate the market throughout the early 1990s, all but replacing Southwest Asian heroin. In 1994, however, a joint Royal Thai Government/DEA endeavor—Operation TIGER TRAP—led to the incarceration in Thailand and extradition to the United States of more than a dozen high-level violators who had played key roles in moving SEA heroin to the United States. These successful actions disrupted long-standing SEA heroin trafficking *modus operandi*, not only in Asia, but also in the United States.

Expanded opium poppy cultivation and heroin production in Colombia in the early 1990s allowed Colombian traffickers to fill the void created by the decreased flow of SEA heroin to east coast markets. During the mid-to-late 1990s, Colombian heroin traffickers easily undermined the SEA heroin market with a readily available supply of high-quality, low-priced white heroin. They also undercut their competitors' price and used established, effective drug distribution networks to facilitate supply. Since Colombian heroin, often sold on the street with a purity of 90 percent, can be snorted like cocaine, it avoided the stigma of needle usage; thus, Colombian traffickers had a built-in marketing advantage over traffickers from Southeast or Southwest Asia. Throughout the 1990s, Mexico-supplied heroin continued to dominate user preferences in the Western United States.

By 1990, Mexico was the largest supplier of marijuana to the United States. According to the National Household Survey, the number of then current marijuana users (any use within the past 30 days) decreased from 22.5 million in 1979 to 10.2 million in 1990. Despite decreased demand, the profit margin for marijuana not only fueled Mexican trafficking organizations, but led to an increase in domestic marijuana cultivation—particularly indoor-grow operations producing high-potency marijuana.

Synthetic drugs, especially methamphetamine, continued to be primarily produced domestically. In the early 1990s, high-purity "ice" methamphetamine (80- to 90-percent pure methamphetamine with a crystalline appearance) appeared on the West Coast. In addition to domestic production, primarily in California, ice was supplied from laboratories in South Korea and the Philippines. OMGs dominated the production of methamphetamine through the early 1990s. In the mid-1990s, however, Mexican drug trafficking organizations started large-scale production and trafficking of methamphetamine. The introduction of high-quality, low-priced methamphetamine undercut the monopoly once held by outlaw bikers. Some OMGs, including the Hells Angels, reportedly relied upon Mexico-based sources of supply for their methamphetamine, preferring to avoid the risks associated with the manufacture of the drug. A sharp decrease in the purity of Mexican methamphetamine at the end of the 1990s reportedly pushed OMGs back into drug production.





## ***Smuggling Patterns***

The Southwest border remains the most vulnerable region of the United States for border security, followed by the Gulf Coast. Interagency assessments report over 60 percent of the cocaine entering the United States moves across the Southwest border. The U.S. Customs Service identified an increase in the movement of drugs between ports of entry over the last several years, as well as a trend toward smaller drug loads. EPIC reports that traffickers have not changed smuggling methods or routes following the September 11, 2001, terrorist attacks. Although the transportation centers are likely to be located near the border, the command and control centers could operate from nearly any location in the United States. Mobile communications and internet encryption allow Drug Trafficking Organizations (DTOs) to operate from remote locations.

## ***Availability***

The 9-percent decline in cocaine purity over the past 4 years illustrates a vulnerability of crop-based illicit drugs. One possible explanation for the increased use of cutting agents by Colombian DTOs is the expansion of the non-U.S. drug market beyond the traffickers' means to maintain world supplies. Cocaine and heroin production are limited not only by the same factors that affect any agricultural product, but also by the traffickers' abilities to either control production regions or to thwart government crop eradication efforts. Supplies of synthetic drugs, such as methamphetamine, MDMA or Ecstasy, PCP, and LSD are not limited by these same factors. The traffickers' capability to quickly move production sites of synthetic drugs presents a significant challenge to law enforcement authorities.

## ***Cocaine***

Colombian drug trafficking organizations increasingly rely upon the eastern Pacific Ocean as a trafficking route to move cocaine to the United States. Law enforcement and intelligence community sources estimate that 72 percent of the cocaine shipped to the United States moves through the Central America-Mexico corridor, primarily by maritime conveyance. Fishing vessels and go-fast boats are used to move multiton cocaine loads to Mexico's west coast and Yucatan Peninsula. The loads are subsequently broken down into smaller quantities for movement across the Southwest border. Despite the shift of smuggling operations to the eastern Pacific, the Caribbean corridor remains a crucial smuggling avenue for Colombian cocaine traffickers. Puerto Rico, the Dominican Republic, and Haiti are the predominant transshipment points for Colombian cocaine transiting the Caribbean.

Traffickers operating from Colombia continue to control wholesale level cocaine distribution throughout the heavily populated northeastern United States and along the eastern seaboard in cities such as Boston, Miami, Newark, New York City, and Philadelphia. There are indications that other drug trafficking organizations, especially Mexican and Dominican groups, are playing a larger role in the distribution of cocaine in collaboration with Colombian organizations. Mexican drug trafficking organizations are increasingly responsible for the transportation of cocaine from the Southwest border to the New York market. Mexico-based trafficking groups in cities such as Chicago, Dallas, Denver, Houston, Los Angeles, Phoenix, San Diego, San Francisco, and Seattle now control the distribution of multiton quantities of cocaine.

## **Heroin**

The Office of National Drug Control Policy's publication, *Pulse Check: Mid-Year 2000*, reports new heroin users continue to be attracted to high-purity Colombian heroin because it can be snorted rather than injected. Reports of Mexico-produced white heroin continue to surface. Although heroin abuse indicators are stable, the increasing purity of Mexican heroin, as well as ready supplies of high-purity white heroin, may result in geographic "pockets" of overdoses as seen in Chimayo and Espanola, New Mexico, in the late 1990s. The high rate of overdose in these locations served as the initial impetus for Operation TAR PIT, which identified the operations of a Mexico-based heroin distribution organization that operated throughout the western United States and in sections of the Midwest.

## **Marijuana**

Marijuana trafficking is prevalent across the nation, with both domestic and foreign sources of supply. Lax public attitudes regarding marijuana's effects, the high seizure threshold required for federal prosecution, and various state legalization efforts undermine public support of law enforcement endeavors. The Houston Field Division reports that some Mexican DTOs use marijuana as a "cash crop"; the proceeds are used to cover the expenses associated with the trafficking of other drugs. Multiton seizures of marijuana have had a negligible effect on street prices and availability. Moreover, the increased availability of high-quality sinsemilla and a new generation of marijuana users are threats that cannot be ignored.

## **Methamphetamine**

Methamphetamine, from either foreign or domestic sources, is available in nearly every DEA field division. Large-scale methamphetamine laboratories, located primarily in the western United States, and to a lesser extent in Mexico, provide the majority of the drug. However, even the smaller clandestine laboratories pose a significant public health and safety threat. The majority of the small toxic laboratories are not connected to large-scale drug trafficking organizations. "Super labs" (laboratories capable of producing in excess of 10 pounds of methamphetamine in one 24-hour production cycle), however, are generally funded and supplied by larger DTOs. An increase in the number of super labs in the Midwest suggests an increased demand for methamphetamine. The increased availability of methamphetamine in urban environments, especially the indications that the drug is occasionally sold in conjunction with, or in place of, club drugs such as MDMA, may usher in a new generation and class of drug abuser. The appearance of Southeast Asian methamphetamine tablets in the United States further threatens to introduce the drug as a substitute for, or supplement to, MDMA, although intelligence reporting on this issue suggests the availability of methamphetamine tablets is isolated. Since methamphetamine laboratories can operate in nearly any remote location, either foreign or domestic, identifying production sources poses a substantial challenge for law enforcement assets at the local, state, and federal levels. One response to the growing problem of clandestine laboratories has been the creation of the National Clandestine Laboratory Database maintained by EPIC. Prior to the creation of this database, there was no reliable system capable of obtaining



clandestine laboratory seizure information from state or local investigations. EPIC's database provides a valuable instrument for both strategic assessments and a clearinghouse for investigative intelligence.

## **MDMA**

Both field division and epidemiology reports identify club drugs, most notably MDMA, as a significant threat. The increase in domestic MDMA production, although still limited by stringent precursor chemical controls, further illustrates the profitability of this drug. Although the majority of MDMA production takes place in the Netherlands, and to a lesser extent in Belgium, the transferability of the laboratories adds a dynamic to the drug trade that cannot be addressed at this time. Laboratories can be relocated to any nation in the European Union, Eastern Europe, or the former Soviet Union, as long as precursor chemicals can be obtained and transported.

## ***Post-September 11, 2001 Assessment***

The September 11, 2001 terrorist attacks on the United States introduced a new set of variables to drug threat assessments: the reallocation of law enforcement, intelligence, and military assets from counternarcotics to counterterrorism reduces available enforcement assets, yet brings a concurrent strengthening of national borders. If history serves as a guide, DTOs will continue to identify and exploit vulnerabilities in order to maintain a steady supply of drugs to the illicit drug market in the United States.

This report was prepared by the DEA Intelligence Division, Office of Domestic Intelligence, Domestic Strategic Unit. This report reflects information received prior to May 2002. Comments and requests for copies are welcome and may be faxed to the Intelligence Production Unit, Intelligence Division, DEA Headquarters, at (202) 307-8726.